INFORMATION LETTER

Not for Publication — NATIONAL CANNERS ASSOCIATION — For Members Only

No. 1447 — Washington, D. C. — July 25, 1953

N.C.A. Requests Railroads to Provide Adequate Cars

The National Canners Association has called upon the railroad industry for action in making available a reasonable and adequate supply of cars that provide damage protection to alleviate the serious transport situation facing the canning industry.

Empowered by action of the N.C.A. Board of Directors at its May meeting, the Association's Traffic Committee has forwarded the following letter to the presidents of all the major railroads in the United States along with copies of the N.C.A. resolution:

July 17, 1953

Dear Mr. .....:

The Traffic Committee of the National Canners Association has been instructed by its Board of Directors to present to the Administrative Executives of the railroad industry the serious problem confronting us in our efforts to continue the heavy use of railroad facilities. The attached resolution is an expression of the National Canners Association.

Our problem and your problem is this:

Today our cans, boxes, loading procedure and general workmanship is the best in our history. We, in 1951, loaded 411,000 rail cars and developed $180,000,000 in revenue for you. Loading practices on more and more cars

(Please turn to page 250)

Association Urges 5-Year Amortization of Waste Disposal Facilities

Renewing its effort to obtain tax relief as an incentive and an aid in water pollution abatement, the National Canners Association testified on Thursday, July 23, before the House Committee on Ways and Means in connection with hearings under way on proposed revisions to the Internal Revenue Code. The N.C.A. testimony, delivered by Hamilton Carothers of Association Counsel, urged the enactment of legislation allowing 5-year amortization of waste disposal facilities.

Following is the text of Mr. Carothers' statement and the language for a proposed bill suggested by the National Canners Association:

My name is Hamilton Carothers. I am appearing here today on behalf of the National Canners Association to offer one specific recommendation relative to revision of our present tax laws.

The National Canners Association is a trade association comprising approximately 1,000 canners who collectivey pack about 75 per cent of the nation's production of canned vegetables, fruits, fish, meat and other canned foods. Its membership includes canners in all but two of the 48 states and in Alaska and Hawaii. The dimensions of the industry and the scope of its operations are perhaps best indicated by the fact that

(Please turn to page 246)

International Trade Study

The canning industry will be represented in an advisory group of business leaders which will assist the Senate Committee on Banking and Currency with a proposed general study of international trade. The Committee is engaging in this study because of its jurisdiction over legislation dealing with international finance, such as the International Monetary Fund and the Export-Import Bank. Appointments to the advisory group will be announced by the Committee later.

Factory Inspection Bill

Factory Inspection legislation (H. R. 5740) moved another step toward final enactment by Congress this week when the Health subcommittee of the Senate Committee on Labor and Public Welfare reported the bill favorably to the full Committee. The subcommittee adopted one amendment to the House-passed measure (see INFORMATION LETTER of July 18, page 237) limiting the authority of the Food and Drug Administration in inspections of prescription files in drug stores. The subcommittee's prompt consideration and action indicates that the Senate Committee will not order hearings on the bill and that the measure will receive early approval of the full Committee.

Memorandum to N.C.A. Research Committee Cites Misleading Statements in Collier's Magazine Story

A memorandum from Dr. E. J. Cameron, Director of the N.C.A. Research Laboratory in Washington, brings to the attention of members of the Association's Scientific Research Committee a number of misleading statements contained in an illustrated article that featured the July 4 issue of *Collier's* magazine.

Prominent display was made of a picture of fruits, vegetables, meat, fowl and juices, in their natural state in transparent wraps, supposedly preserved by radiation, with suggestion in the text of the article that such foods are to be imminently available. Numerous other fallacies are pointed out to the members of the Committee in the memorandum, copy of which has been sent to the editor of *Collier's*, and text of which follows:

July 16, 1953.

To the N.C.A. Committee on Scientific Research:

Re—Article in July 4, 1953, *Colliers*, "How Soon Will Your Pantry Shelf Look Like This," by Bill Davidson.

No doubt all of you have seen the article referred to above. It furnishes a sharp reminder of the purpose underlying the research program on sterilization by radiation undertaken

(Please turn to page 249)

STATISTICS

Canned Fruit and Vegetable Stocks and Shipments

Reports on canners' stocks and shipments of canned green and wax beans, beets, carrots, corn, pumpkin-squash, tomatoes, tomato juice, catsup, chili sauce, apples, apple sauce, and RSP cherries, have been compiled by the N.C.A. Division of Statistics, and detailed reports have been mailed to all canners packing these items.

Canned Apple Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(*basis 4/10*)		
Carryover, Aug. 1	1,953,263	1,279,639	−34
Pack, total	3,388,249	2,560,319	−24
Supply	5,341,512	3,839,958	−28
Stocks, July 1	1,548,574	307,899	−80
Shipments during June	314,785	215,154	−32
Shipments, Aug. 1 to July 1	3,792,938	3,532,059	−7

Apple Sauce Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(*actual cases*)		
Carryover, Aug. 1	3,497,089	1,474,654	−58
Pack, total	9,380,851	9,291,512	−1
Supply	12,877,940	10,766,166	−16
Stocks, July 1	2,361,188	608,167	−74
Shipments during June	1,018,196	614,279	−40
Shipments, Aug. 1 to July 1	10,516,752	10,157,999	−3

RSP Cherry Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(*actual cases*)		
Carryover, July 1	29,950	212,949	+611
Pack	4,672,041	3,892,004	−17
Total supply	4,701,991	4,104,953	−13
Stocks, July 1	212,949	113,039	−47
Shipments during June	79,919	77,167	−3
Shipments, July 1 to July 1	4,489,042	3,991,914	−11

Green and Wax Bean Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(*actual cases*)		
Carryover, July 1	1,395,850	2,453,035	+76
Pack	19,866,974	17,209,663	−13
Total supply	21,262,824	19,662,698	−8
Stocks July 1	2,453,035	331,859	−86
Shipments during June	941,883	382,408	−59
Shipments, July 1 to July 1	18,809,789	19,330,839	+3

Canned Corn Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(*actual cases*)		
Carryover, Aug. 1	373,375	427,729	+15
Pack	30,188,540	38,212,332	+27
Total supply	30,561,915	38,640,061	+26
Stocks, July 1	923,426	3,880,981	+320
Shipments during June	1,231,273	2,007,037	+63
Shipments, Aug. 1 to July 1	29,638,489	34,759,080	+17

Canned Carrot Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(*actual cases*)		
Carryover, July 1	343,201	217,141	−37
Pack	2,043,747	2,621,643	+28
Total supply	2,386,948	2,838,784	+19
Stocks, July 1	217,141	528,626	+143
Shipments, May 1 to July 1	227,013	204,942	−10
Shipments, July 1 to July 1	2,169,807	2,310,158	+6

Canned Tomato Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(*actual cases*)		
Carryover, July 1	55,355	1,726,877	+3020
Pack	27,672,399	25,176,437	−9
Total supply	27,727,754	26,903,314	−3

SUMMARY OF STOCKS AND SHIPMENTS—CALIFORNIA EXCLUDED

Stocks, excluding Calif., June 1	1,250,670	3,195,285	+155
Stocks, excluding Calif., July 1	739,431	2,180,386	+195
Shipments, excluding Calif., during June	511,239	1,012,809	+98

Tomato Juice Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(*actual cases*)		
Carryover, July 1	917,071	5,304,954	+478
Pack	31,625,534	31,416,590	−1
Total supply	32,542,605	36,721,544	+13

SUMMARY OF STOCKS AND SHIPMENTS—CALIFORNIA EXCLUDED

Stocks, excluding Calif., June 1	3,619,236	5,651,981	+56
Stocks, excluding Calif., July 1	2,585,810	3,876,223	+50
Shipments, excluding Calif., during June	1,033,426	1,775,758	+72

Catsup Stocks and Shipments

	1951–52	1952–53
	(*actual cases*)	
Carryover, July 1	522,272	5,760,622
Pack	24,015,126	19,651,896
Total supply	24,537,398	25,412,518
Stocks, July 1	5,760,622	6,461,586
Shipments April 1 to July 1	n.a.	4,104,346
Shipments, July 1 to July 1	18,776,776	18,950,932

n.a. not available

Chili Sauce Stocks and Shipments

	1951–52	1952–53
	(*actual cases*)	
Carryover, July 1	110,633	756,941
Pack	3,219,623	2,848,021
Total supply	3,330,256	3,604,962
Stocks July 1	756,941	861,379
Shipments April 1 to July 1	n.a.	644,752
Shipments, July 1 to July 1	2,573,315	2,743,583

n.a. not available

Summary of Canners' Stocks on July 1 and Season Shipments

Following is a summary, prepared by the N.C.A. Division of Statistics, of stocks of principal canned foods held by canners on July 1 and season shipments to July 1, with comparisons:

Item	Canner's Stocks, July 1			Season Shipments to July 1		
	1948–52 ave.	1952	1953	1948–52 ave.	1952	1953
	(*thousands of actual cases*)					
Fruits:						
Apples (6/10)	n.a.	1,549	308	n.a.	3,793	3,532
Apple sauce	n.a.	2,361	608	n.a.	10,517	10,158
Cherries, RSP	55	213	113	3,785	4,489	3,992
Vegetables:						
Beans, green and wax	1,203	2,453	332	16,919	18,810	19,331
Beets	910	1,962	1,591	6,556	7,925	8,502
Carrots	375	217	529	1,976	2,170	2,310
Corn	3,092	923	3,881	28,583	29,638	34,759
Pumpkin and squash	524	52	1,330	2,050	3,429	3,171
Tomatoes	1,664	1,727	4,959	21,871	26,001	21,944
Tomato juice	3,709	5,305	6,233	23,047	27,238	30,488
Catsup	3,701	5,761	6,462	16,431	18,777	18,951
Chili sauce	629	757	861	2,363	2,573	2,744
Baby food	43,542	42,537	44,447	63,495	68,739	74,805

n.a. not available

Canned Beet Stocks and Shipments

	1951-52	1952-53	Percent change from 1951-52
	(actual cases)		
Carryover, July 1	1,471,122	1,961,621	+33
Pack	8,415,252	8,131,487	−3
Total supply	9,886,374	10,093,108	+2
Stocks, July 1	1,961,621	1,590,711	−19
Shipments, May 1 to July 1	1,022,976	882,329	−14
Shipments, July 1 to July 1	7,924,753	8,502,397	+7

Pumpkin and Squash Stocks and Shipments

	1951-52	1952-53
	(actual cases)	
Carryover, July 1	.....	51,976
Pack	3,480,634	4,449,018
Total supply	3,480,634	4,500,994
Stocks, July 1	51,976	1,329,670
Shipments, April 1 to July 1	63,534	112,574
Shipments, July 1 to July 1	3,428,658	3,171,324

Canned Baby Food Stocks

Details of the canned baby food supply, stock and shipment situation are reported by the N.C.A. Division of Statistics as follows:

	1952	1953	Percent change from 1952
	(thousands of dozens)		
Canner stocks, Jan.1	57,522	55,300	−4
Pack, Jan. through June	53,754	63,952	+19
Supply	111,276	119,252	+7
Canners stocks, July 1	42,537	44,447	+4
Canner shipments during June	11,535	12,104	+5
Canner shipments, Jan. 1 to July 1	68,739	74,805	+9

Peas for Processing

The tonnage production of green peas declined during the first two weeks of July, according to the latest report from the USDA Bureau of Agricultural Economics. Their July 1 progress report showed 474,450 shelled tons for all processing including canning, freezing and other purposes. Whereas, the July 15 report showed 455,030 tons or a decline of 4 percent. The decline in prospect for the first two weeks of July centered largely in the Northwest, east of the Cascade Mountains. Extreme heat hastened maturity and caused bunching. Harvesting is about completed for the rest of the country.

The tonnage in prospect now exceeds last year's harvested tonnage by six percent, the harvested 1952 tonnage having been revised June 15 to 430,170 tons.

In the table below is given the 1952 revised harvested tonnage, the indicated tonnage as of July 15, 1952, and indicated tonnage as of July 15, 1953:

State	1952 Revised	1952 Indicated	1953 Indicated	Percent change from 1952
	(tons—shelled)			
Maine	4,050	4,840	6,840	+41
New York	17,210	20,660	22,750	+10
Pennsylvania	11,800	11,520	16,720	+45
Ohio	1,910	2,000	1,700	−15
Indiana	2,190	2,460	1,700	−31
Illinois	25,110	24,500	26,550	+8
Michigan	3,510	4,200	4,480	+7
Wisconsin	125,240	137,350	117,480	−14
Minnesota	47,710	48,560	52,700	+9
Iowa	3,670	4,080	3,330	−18
Delaware	3,020	2,730	2,430	−11
Maryland	7,980	8,970	9,200	+3
Virginia	1,630	1,780	2,160	+21
Idaho	11,750	9,450	11,600	+23
Colorado	3,150	3,240	2,800	−14
Utah	7,120	8,300	12,600	+52
Washington	71,280	68,620	83,200	+21
Oregon	59,220	57,580	54,820	−5
California	14,640	15,910	12,750	−20
Other states[1]	7,980	8,630	9,220	+7
U. S. Total	430,170	445,380	455,030	+2

[1] Ark., Ga., Kan., Miss., Mont., Nebr., N. J., Okla., Tenn., W. Va., and Wyo.

CONGRESS

Renegotiation Act

The House passed and sent to the Senate July 22, H. R. 6287 providing for extension of the Renegotiation Act of 1951 for one year beyond December 31, 1953. The House adopted a committee amendment designed to keep alive certain pending claims under the old War Contracts Adjustment Board. The House bill also would amend the present law in several minor respects.

Customs Simplification

The Senate Finance Committee approved July 22, H. R. 5877 to simplify customs procedures. The committee eliminated two sections of the House-passed measure.

The sections eliminated would have spelled out changes in the manner in which customs collectors determine the value of articles for applying duties, and would have set up new yardsticks for conversion of foreign currency.

The Senate committee also deleted from the bill a provision which would have permitted the duty-free importation of products exported and changed in value, with duties payable only on new portions added abroad. The committee contended this did not represent simplification of customs procedures and would in fact "tend to increase the present heavy load on the Bureau of Customs."

Simpson Bill Recommitted

By the surprisingly large margin of 242 to 161, the House on July 23 recommitted the second Simpson bill (H. R. 5894) to amend the Reciprocal Trade Agreements Act by imposing import quotas on petroleum, establishing new standards by which domestic industries might obtain relief from imports, and placing special taxes on lead and zinc imports. Recommittal has the effect of killing the bill, at least for this session of Congress. President Eisenhower had expressed opposition to the measure and Administration leaders in the House argued that the bill would defeat the purpose of the international trade study commission proposed by the President and provided for in the first Simpson bill (H. R. 5495) now pending before a Congressional Conference Committee.

The first Simpson bill would extend the Reciprocal Trade Agreements Act for one year and provide for the special trade study commission. The subject of the disagreement before the Conference Committee is a conflict between a House amendment to increase to seven members the present six man Tariff Commission and a Senate amendment that would retain the present Commission but would direct it to report to the President in the event of tie votes.

RESEARCH

New Owens-Illinois Center

A new Technical Center to consolidate the general research program with the engineering activities of the various divisions of the Owens-Illinois Glass Company is under construction in Toledo, Ohio.

As explained in the announcement by Oscar Burch, vice president of that firm, the Center will be used to develop new methods of making and using glass while at the same time improving present processes and products.

PUBLICITY

'Canning Progress' is Title of Book by N.C.A. Member

A book entitled *Canning Progress* has been written and privately published by Irving A. Nelson, twice a past Director of the National Canners Association, who is distributing it to certain radio stations, suppliers, bankers, libraries, schools, canning trade journals, brokers and distributors.

The book dedicated to Nicolas Appert and to the author's father, commemorates the 60th anniversary of the Cool Spring Canning Company, Lake Mills, Iowa, of which Mr. Nelson is president-manager. His firm is a charter member of the National Canners Association, in the first roll-call of members when the Association was founded in 1907.

Canned foods and the canning industry are convincingly promoted in the text of *Canning Progress*, which carries chapters giving interesting facts about canning and its products. Safety, convenience, economy—all of the public services values are emphasized.

Chapters are devoted to the history of the Cool Spring firm, and of the industry in Iowa-Nebraska. The book closed with interesting memoirs of Mr. Nelson's life-long devotion to canning. The chapter on the National Canners Association from *The Canning Industry*, issued last year by the N.C.A. Information Division, is reproduced. Use is made of other material from that publication on the importance of canning and its contributions to public well-being. Line drawings from *The Canning Industry* are utilized as chapter headings.

Mr. Nelson's *Canning Progress* represents an interesting and original use of this material, which was sent to the membership with the suggestion that it be used at local levels and its information disseminated to home-town or area news and radio outlets, since it contains suitable information for newspapers, magazines, writers, radio and TV program directors, high school and college students and organizations, presenting to the lay public the importance and the contribution to living standards made by the canning industry and its products.

Canning Progress is an effective combination of Mr. Nelson's own keen observations and knowledge of the canning industry with this other material.

Woman's Day Magazine

A feature of the July issue of *Woman's Day* magazine, announced on its cover, is the "Complete Summer Cookbook," a food section of 23 pages, which contains quick, easy recipes and menus involving 160 canned foods. Glenna McGinnis, food editor, and her staff launch the cookbook section with the statement, "Make this an 'easy-on-the-cook' summer." One section is titled "Soups From Canned Soups" and features 22 canned soups.

Woman's Day has wide distribution through the A & P Stores over the country.

House Beautiful Magazine

"Here are 14 great soups of many lands, translated into workless recipes —miracles of speed and ease—from ingredients found at any grocery store," says Poppy Cannon, food editor, in her article entitled "Star Soups in Midsummer Meals" in the July *House Beautiful* magazine. All of the recipes feature canned soups.

The caption for one of the pictures accompanying the article is headed, "Creme Clamart—Classic Method . . . 20 Hours," with the picture showing the many ingredients and utensils necessary to make the soup by the old method. Another picture alongside is titled, "Creme Clamart—Modern Epicure's Way . . . Two Minutes." It shows canned soups and only a very few utensils.

Waste Disposal Amortization

(Concluded from page 243)

the industry annually packs well over 600 million cases of canned foods of all types.

The National Canners Association is appearing to ask this committee to recommend legislation which will encourage the abatement of water pollution by allowing amounts paid for industrial waste treatment works and disposal facilities to be amortized at an accelerated rate for income tax purposes. This result can be achieved by a simple amendment to Section 124 of the Internal Revenue Code which will permit the costs of anti-water pollution facilities to be recaptured, through deductions, over a shorter period of time than that permitted by the present code provisions relating to exhaustion, wear and tear, and obsolescence.

The need and justification for this proposal is apparent to anyone with knowledge of the present national water pollution problem and the difficulties confronting Federal, State, and private interests in attempting to resolve it. An amendment of this nature will provide a constructive and economical aid to its solution in a form best suited to accommodate the rights and obligations of each of these interests.

In enacting the Water Pollution Control Act of 1948, Congress acknowledged that the primary right and responsibility for water pollution control measures rests with the states. But it similarly recognized that a substantial national and Federal interest is involved. As stated by the Senate Committee on Public Works:

> "Water pollution has become a matter of grave concern in many areas, and its damaging effects on the public health and natural resources are a matter of definite Federal concern as a menace to national welfare. Abatement must be undertaken in order to control it" *(S. C. on P. W. Report No. 462, 80th Cong.)*

Private industry, in turn, recognizes that much of the responsibility for pollution abatement must necessarily reside with it. But without assistance in the form of Federal tax relief, most industries find it financially impossible to undertake effective steps in this direction.

The proper disposition of industrial waste from canning operations has long been a matter of great concern to the canning industry. The waste is ordinarily discharged, directly or through public sewage systems, into rivers, streams, sounds, canals, marshes, lakes, harbors, basins connected with harbors, and other bodies of water in and about the U. S. and its territories. For years the canning industry has interested itself in ways and means of avoiding or at least minimizing pollution of such water.

But for the majority of the industry, the difficulties are presently insurmountable. In many cases, the cost of these treatment and disposal facilities is as great as the value of the canning plant itself and under existing depreciation law it is impossible for most canners—and particularly the small canner—to expend this amount of money.

The canning industry generally relies heavily on borrowed capital and few of its members have the reserves on which they can draw for financing such costly and non-productive construction. Most food processors operate on a seasonal basis, which does not justify the capital expenditure for treatment and disposal facilities that might be borne by a plant operating throughout the year. In most cases, no byproducts of value and no revenues can be obtained from industrial

waste treatment and disposal processes.

Provision for rapid write-off of such construction will stimulate a nation-wide effort on the part of all industries, including the canning industry, to reduce or even entirely eliminate pollution of the waters in and about the United States and its territories—an effort which will be beneficial to the country from a sanitary as well as an esthetic standpoint.

Some states are currently considering making the construction of waste treatment and disposal facilities mandatory. Under these circumstances, the future of many of the smaller companies in the canning industry, as well as in a host of other industries, will be jeopardized because of their inability to expend their liquid assets for such non-productive construction.

The decrease in Federal revenue through rapid amortization of such facilities should be quite insubstantial. The Senate Committee on Public Works, in reporting out the Water Pollution Control Act, said:

> "The committee is deeply impressed with the serious effects of polluted waters upon the public health and welfare and is firmly convinced that failure to accomplish adequate progress in pollution abatement under the terms of this bill, through the cooperative efforts of the Federal and State agencies, will undoubtedly call for much stronger and more direct Federal enforcement measures at some subsequent session of the Congress." *(Senate Committee on Public Works, Report No. 462, 80th Cong.)*

It will be far less expensive for the Federal Government to encourage private action for pollution abatement than it would be to legislate any broad-scale Federally enforced program of water pollution control.

The Association is attaching as part of this statement a proposed bill to permit the cost of treatment plants and disposal facilities to be recaptured, through deductions, over a 60-month period. The taxpayer may elect as to when to commence taking deductions, either upon completion of the facilities or in the following year. At his option, he may also return to the normal depreciation allowance by so notifying the commissioner at any time during the five-year period. For the taxpayer to avail himself of the amortization deduction, the facilities must have been certified by the state water pollution authorities as in aid of state law and approved by the Surgeon General as in furtherance of a control program under the Water Pollution Control Act.

Other bills of similar effect are now pending before this Committee. They include H. R. 234, H. R. 606, and H. R. 2535.

Committee consideration of these bills will disclose that a wide range of industrial interests is vitally interested in the passage of such legislation. The Department of Health, Education and Welfare, the Surgeon General of the United States, and the Fish and Wild Life Service of the Department of Interior will undoubtedly lend their endorsement. Support will be provided by a large number of public and private conservation bodies and by the health authorities of states and municipalities throughout the nation.

The National Canners Association respectfully requests that the Committee on Ways and Means give this proposal its fullest consideration.

A Bill

To encourage the prevention of water pollution by allowing amounts paid for industrial waste treatment works or disposal facilities to be amortized at an accelerated rate for income-tax purposes.

Whereas Congress recognized the benefits resulting to public health and welfare from the abatement of water pollution by enacting the Water Pollution Control Act of 1948; and

Whereas one of the major problems in the abatement of water pollution is the elimination or purification of industrial waste through the construction of costly and nonproductive treatment works and disposal facilities by private industry; and

Whereas to further the purposes of said Act, by aiding in the solution of this problem, it is necessary and desirable to assist and encourage private industry to provide plants and facilities for the treatment or disposal of industrial wastes: Therefore

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Chapter 1, subchapter C, of the Internal Revenue Code is amended by adding at the end of section 124, the following new section:

"Sec. 124A. Treatment Works and Disposal Facilities Special Amortization Deduction

"(a) General Rule.—Every person, at his election, shall be entitled to a deduction with respect to amortization of the adjusted basis (for determining gain) of any facility, land, building, machinery or equipment for the treatment or disposal of sewage or industrial waste or of any stock in a non-profit corporation organized by or for the taxpayer alone or in association with other taxpayers or with local government sewage disposal bodies for the sole purpose of acquiring, constructing or maintaining facilities, land, buildings, machinery or equipment for the treatment of disposal of sewage or industrial waste, based on a period of sixty months. The amortization deductions provided by this section shall be in lieu of the deductions with respect to such treatment works or disposal facilities provided in section 23(1), relating to exhaustion, wear and tear, and obsolescence. The sixty-month period shall begin, at the election of the taxpayer, with the month following the month in which the treatment works or disposal facilities were completed or acquired, or with the succeeding taxable year. Such election shall be made by the taxpayer in an appropriate statement in its return for the taxable year in which the treatment works or disposal facilities were completed or acquired.

"(b) Termination of Amortization Deduction.—A taxpayer which has elected under subsection (a) to take the amortization deduction provided in this section may, at any time after making such election, discontinue the amortization deductions with respect to the remainder of the amortization period, such discontinuance to begin at the beginning of any month specified by the taxpayer in a notice in writing filed with the Commissioner before the beginning of such month. The deduction provided under section 23(1) shall be allowed beginning with the first month to which the amortization deduction is not applicable, and the taxpayer shall not be entitled to any further amortization deductions with respect to such treatment works or disposal facilities.

"(c) Determination of Adjusted Basis of Treatment Works.—In determining for the purposes of this section the adjusted basis of treatment works or disposal facilities, there shall be included only so much of the amount otherwise constituting such adjusted basis as the Commissioner finds is properly attributable to such construction, reconstruction, remodeling, installation, or acquisition after the effective date of this Act: Provided, however, that such treatment works, irrespective of such adjusted basis, have been certified by the State or Territorial health authority (or in cases where there is a single State or Territorial agency, other than the State or Territorial health authority, charged with responsibility for enforcing State or Territorial laws relating to the abatement of water pollution, then such other State or Territorial agency) as being in aid of State or Territorial law for the prevention and abatement of water pollution, and approved by the Surgeon General as in furtherance of a comprehensive program developed or adopted under the Water Pollution Control Act,"

FARM POLICY

House Group Tour to Gather Views on Farm Program

A tour of the United States for the purpose of obtaining first-hand information from farmers as to the kind of national farm program desired, is being arranged by the House Committee on Agriculture. Tentative plans call for the full Committee to visit New England and the Pennsylvania and New Jersey vegetable areas immediately following adjournment of Congress, probably early in August. The Committee then will take a month of vacation before starting out October 1 to cover the rest of the United States.

Secretary of Agriculture Ezra Taft Benson, in addressing the Agricultural Council of California at Fresno, on July 16, listed the House Agriculture Committee's projected tour as one of the three approaches to the development of sound farm programs. The other two approaches described by the Secretary are (1) the encouragement of debates and discussion in the grass roots, followed by the adoption of resolutions and reports by local groups of the national farm organizations, and (2) a survey of the thinking of the best-trained professional people in agriculture.

Secretary Benson has urged farmers who are not members of farm organizations to write the Department of Agriculture their position directly.

President Creates New Group For Agricultural Policy Advice

An executive order establishing an 18-man bi-partisan National Agricultural Advisory Commission was issued by the President on July 20.

The purpose of the commission will be to review national agricultural policies and the administration of farm programs and to make recommendations to the Secretary of Agriculture for the betterment of such policies and programs.

The new Commission is established on a permanent basis. It replaces a 14-man interim advisory agricultural committee appointed in December 1952 and which has been serving the Secretary of Agriculture since that time. The 18 members of the commission will be appointed by the President. Not more than nine can be members of any one political party, and at least 12 of them must be representative farmers. The President will designate the chairman of the commission.

The President's order specifies that the commission will (a) "review the policies and administration of farm programs within the jurisdiction of the Department of Agriculture, or any part of such policies and administration, and such related matters as the Secretary shall determine, and (b) advise the Secretary in regard thereto."

In a press statement announcing the creation of the Commission, the Department of Agriculture commented: "In its advisory functions, the commission will be concerned with the broad fields of agricultural policy and administration, both as they affect the U. S. farmer and the national economy domestically or our international economic relationships as they bear on the welfare of agriculture."

USDA Announces Proposed Olive Marketing Agreement

The U. S. Department of Agriculture announced on July 21 its recommendation of a proposed marketing agreement and order regulating the handling of olives grown in California. The recommendation is based upon evidence at a public hearing on May 6 through May 9, and May 11 through May 14, 1953, at Stockton, Calif.

The marketing agreement and order would authorize the issuance of volume limitations on (1) the canning of specified sizes of any variety of olives harvested during any crop year, and (2) the shipment of canned olives. The program would be administered by an administrative committee consisting of eight producers and eight canners. A proposal to include olives grown in Arizona was denied.

Persons desiring to file written exceptions to the action recommended by the Department may do so with the Hearing Clerk, U. S. Department of Agriculture, Washington, D. C. not later than August 7, 1953.

Copies of the decision are available at the Western Marketing Field Office, Fruit and Vegetable Branch, Production and Marketing Administration, U. S. Department of Agriculture, 1000 Geary Street, San Francisco, Calif.

PROCUREMENT

QMC Purchases of Canned Foods in 1952

Total purchases by the Army Quartermaster Corps of canned fruits, juices, and vegetables from the 1952 pack for use of all the Armed Forces were announced July 21, by the Department of Defense.

The purchases, by items, as announced by QMC are shown in thousands of pounds, and with conversion to thousands of cases by the N.C.A. Division of Statistics:

Canned Fruits

Item	Thousands of pounds	Thousands of cases of 24/2½
Apples	6,317	162
Applesauce	11,285	259
Apricots	27,601	613
Berries	4,945	114
Cherries, RSP	14,950	344
Cherries, sweet	2,579	57
Figs	6,116	136
Fruit cocktail	19,034	423
Olives	5,079	188
Grapefruit	7,392	170
Peaches	47,105	1,083
Pears	16,771	386
Pineapple	31,282	695
Plums	10,020	223

Canned Juices

Item	Thousands of pounds	Thousands of cases of 24/2
Juice, apple	1,312	45
Juice, grape	1,191	40
Juice, grapefruit	8,979	304
Juice, orange	11,156	378
Juice, orange and grapefruit	21,766	738
Juice, pineapple	9,993	335
Juice, tomato	43,831	1,533

Canned Vegetables

Item	Thousands of pounds	Thousands of cases of 24/2
Asparagus	5,403	190
Beans, lima	11,444	381
Beans, string	32,734	1,149
Beets	3,700	123
Carrots	11,262	375
Catsup	21,529	652
Corn, cream style	15,541	518
Corn, whole kernel	34,050	1,135
Peas	52,286	1,743
Pimientos	57	2
Potatoes, sweet	27,898	930
Pumpkin	1,206	40
Sauerkraut	68	2
Spinach	7,326	271
Tomatoes	46,890	1,645
Tomato paste	6,395	197
Tomato puree	371	12
Vegetable puree	964	32

Invitations for Bids

QM Market Center System, 226 West Jackson Blvd., Chicago 6, Ill.

Veterans Administration—Procurement Division, Veterans Administration, Wash. 25, D. C.

The Walsh-Healey Public Contracts Act may apply to all operations performed after the date of notice of award if the total value of a contract is $10,000 or over.

The Veterans Administration has invited sealed bids to furnish the following:

TOMATOES—25,000 dozen No. 10 cans, Grade B. Bids due under S-34 by August 5.

TOMATO JUICE—23,000 dozen No. 10 cans, Grade A. Bids due under S-34 by August 5.

TOMATO PUREE—14,500 dozen No. 10 cans, Grade A, or equivalent in No. 2½ or No. 2 cans. Bids due under S-35 by August 10.

TOMATO CATSUP—5,050 dozen No. 10 cans, Grade A. Bids due under S-35 by August 10.

CARROTS—2,750 dozen No. 10 cans, Grade C sliced or diced; or equivalent in No. 2½ or No. 2 cans. Bids due under S-20 by August 12.

PLUMS—2,800 dozen No. 10 cans, Grade B, or equivalent in No. 2½ or No. 2 cans. Bids due under S-28 by August 18.

The QMC has invited sealed bids to furnish the following:

CHILI CON CARNE WITHOUT BEANS—16,296 cases No. 10 cans. Bids due under MC 54-18 B by July 28.

Memorandum on Collier's Story

(Concluded from page 243)

by our laboratories under your guidance, and our incidental responsibilities to the canning industry and the public.

The purpose of our work in the field, as you of course know, is to develop some of the basic information upon which any successful application of this principle to food preservation must be based. We are exploring the effects of ionizing radiations on food spoilage organisms and the influence of environmental and other conditions on those effects.

Our incidental responsibility to the canning industry and that portion of the public with which we have contact is to help them avoid being misled by premature and sensational assertions that the method is ready or nearly ready for use. This could be a serious matter for a canner if it caused him to fall prey to any of the adventurers who always crop up and seek to exploit new developments long before they are ready to hatch.

Perhaps no canner will accept the picture presented in the *Collier's* article, but it certainly conveys to consumers the impression that the "pantry shelf" pictured is not far away; in sober fact it is years away if indeed it ever does come to pass through radiation. Undoubtedly the author received some over-optimistic impressions in his search for basic information and did not have the necessary background of technical knowledge to place them in proper perspective.

The article bristles with misstatements, not all of which stem from a misconception of the status of food radiation. It would be tiresome to catalog them all, and a few will suffice for illustration.

The opening paragraph tells of a raw hamburger patty, presumably preserved at the University of Michigan by some form of radiation, kind not specified. "The meat, enclosed in a flat, airtight disk is more than a year old, but it looks fresh, juicy and edible. And as a matter of fact, it is. You could eat that ancient hamburger today."

Compare University of Michigan Progress Report 3, "Utilization of Gross Fission Products", June 1952, pages 43-44:

> "Foods of animal origin appear to be particularly sensitive to flavor change. Milk, fresh meats, eggs, cheese, etc. all undergo undesirable change as the result of irradiation.
>
> "Fresh meats: a variety of fresh meats including beef, chicken, and pork, were irradiated and checked for flavor. All developed a characteristic 'off' odor and flavor as a result of radiation. Chemical additives were used to prevent this flavor change, with some success." The paragraphs following indicated that the addition of thiourea gave a product that tasted like the control. This material is toxic and banned by the Food and Drug Administration, as pointed out in the report.

Collier's statement is highly misleading as meat, subjected to a sterilizing dose for microbial life and an enzyme inactivating dose of radiation, as needed for a year's storage at room temperature must, to the best of our present knowledge, contain a preserving additive to maintain color and taste. Such additives as are satisfactory, according to the University of Michigan report, are unacceptable to the Food and Drug Administration. (Progress Report 4, University of Michigan, March 1953, pages 65-66 also bears this out.)

The first paragraph on page 10 contains an explanation of canning and freezing that is really too ludicrous for comment. It serves as introduction to a discussion of the effect of radiation upon bacteria, in which it is apparently assumed that the destruction of bacteria is the only requirement for permanent preservation of food in a fresh, edible form.

Proceeding at once to prophecy, the writer says, "Fresh vegetables and fruits will be available to all parts of the country at all times of the year, at a fraction of their present price." One has only to reflect on the proportion of the price of such produce that is due to the cost of growing, harvesting, transportation and handling to see the absurdity of such a statement. It could only have been based on a supposition that many times as much produce is lost through spoilage as ever reaches the consumer.

In the next paragraph he says, "Cheap radiation sources in famine areas of the world—like India***—can save the lives of millions of human beings otherwise doomed to starvation." This is impossible to argue, because there is not now nor likely to be such a thing as a cheap radiation source. Whatever advantages may be hoped for in radiation, no one familiar with the facts has yet ventured to claim that it would be cheap. It seems fantastic to assume that areas too poor to produce or utilize food would yet be able to provide themselves with costly electrical or nuclear power units for food sterilization.

While the article acknowledges that there remain many technical problems to be worked out, it contains no hint of the problem of establishing to the satisfaction of all that irradiated foods are safe to eat. In the food industry we are always conscious of the requirements of food laws. Not only must the food we sell be wholesome; food law officials must be convinced that it is wholesome. What, for example, does the Federal Food and Drug Administration say about radiated foods?

Their position was outlined in a talk given by W. B. Rankin, of their Division of Field Operations, at the Oak Ridge Institute of Nuclear Studies, reported in *Agricultural and Food Chemistry* (a publication of the American Chemical Society) for June 24, 1953. If you have that journal at hand you will be interested in the account on page 501 of Mr. Rankin's talk. Two excerpts will show the trend of his remarks:

> "Use of radioisotopes to sterilize foods and drugs is one civilian application of atomic energy which may offer important commercial advantages. Like some other potentially useful products, however, fission products have their potential dangers. It is for this reason that the Food and Drug Administration is being very cautious in its approach to this relatively new field."
>
> and
>
> "Considerable research is under way to determine the sterilization effects of beta and gamma rays or mixed radiation from fission products. Such a process might be useful commercially. Before such processes can be used, much information is needed. It is known that radiation disrupts bonds in complex molecules yielding small amounts of entirely different chemicals. At present, Mr. Rankin observed, it is impossible to predict what new chemicals may be formed by intensive irradiation of such complex organic materials as are found in foods and most drugs.
>
> "Data are needed on the molecular changes which occur during food

and drug sterilization, the effects on nutritional properties of food or the therapeutic efficiency of a drug, and the possibility of the irradiated products being toxic (for example, capable of producing cancer over a long period of time).

"FDA recognizes that many studies have been and are being carried out on individual foods and drugs. Commercial adoption of cold sterilization, however, will depend on the establishment of absolute safety of the process."

You no doubt recall that the Food and Drug Administration has published articles outlining the extensive feeding and physiological studies it considers necessary for measuring toxicity or establishing lack of toxicity, which give a much sharper meaning to the phrase "establishment of absolute safety of the process." Thus the problems to be solved are by no means technological only; protection of the public health is a paramount requirement, and perhaps the hardest to meet conclusively. The article discloses no awareness of this fact.

Whether inspired by the *Collier's* article or not, inquiries are coming to us regarding the supposed new method or methods of processing. One recent letter says in part: "It has come to our attention that fresh meat (uncooked) may now be processed in cans. Please advise where and how." We shall undoubtedly have more such inquiries if the idea gains currency that cold sterilization is already an accomplished fact.

We should welcome your ideas as to what should be done in matters of this kind. Obviously the damage that is done by such irresponsible journalism cannot be undone by a protest; the most that can be hoped for is that editors may be persuaded to check more carefully the facts and conclusions offered them.

At any rate, we do not believe we should let such articles pass unnoticed. We are, therefore, sending a copy of this memorandum to the editor of *Collier's* and it is to be published in the N.C.A. INFORMATION LETTER for the attention of canners.

[s] E. J. CAMERON,
Director.

N.C.A. Urges Adequate Cars

(Concluded from page 243)

are directly as recommended by your association, yet claims on canned goods reached an all time high of $8,308,000 in 1952. Buyers of canned goods are in daily greater numbers emphatically insisting on truck delivery to eliminate the constant problem of damage by rail.

You have now provided protective and adaptable type cars or equipment for loaders of grain, live stock, packing house products, automobiles, fresh fruits and vegetables and others, and yet for canned goods, your fifth greatest revenue producer, nothing has been done to help us use your service other than a limited number of COMPARTMENTIZER cars and D-F cars.

The canning industry cannot carry the whole burden of claim prevention by special loading, by expensive floor rack covering, by costly doorway protection, particularly when our efforts are not sufficient to offset the primary cause of damage—*inadequate railroad equipment.*

We simply must have an adequate supply of COMPARTMENTIZER and D-F cars and insulated cars *without floor racks.*

Will you please advise what specific action you will take in the direction of better equipment to help us eliminate the problem of damage and customer dissatisfaction with railroad arrivals. Please send copies of your answer to members of the National Canners Association Traffic Committee addresses attached.

Respectfully submitted,
[s] George C. Tong
Chairman, Traffic Committee
National Canners Association

Resolution of Board of Directors of National Canners Association May 22-23, 1953 Meeting

Whereas, members of the National Canners Association are confronted with the increasingly serious problem of damage in transit to their products when shipping by railroad, which damage invariably results in irreparable loss and

Whereas, such damage in transit is chiefly caused by reason of inadaptability of ordinary railway cars to transport canned goods without damage in transit, and

Whereas, Pullman Standard Car Manufacturing Company has made available to the railroads pullman COMPARTMENTIZER cars, and the General American Carline has made available to the railroads D-F cars, which cars permit automatic self-segregating and bracing of canned goods loaded therein, and

Whereas, a limited number of such type cars have been put in operation by some of the railroads during the past two years, and their use by the members of the National Canners Association has established that such cars permit transportation of canned foods by railroad substantially free of any damage, including shipments requiring stop-off in transit for partial unloading, and

Whereas, the railroads have not placed in service a sufficiency of such type cars to safely transport all canned food shipments,

Now, therefore, be it resolved, that the National Canners Association call upon all Class One railroads in the United States to promptly make available to the general shipping public, including shippers of canned foods, a reasonable and adequate supply of COMPARTMENTIZER and D-F cars, or other cars providing equal damage prevention, to afford proper protection of shipments of canned foods entrusted to the care of the rail carriers, and that a copy of this resolution be sent to the president of the Association of American Railroads and to the president of each and all of the Class One railroads in the United States.

TABLE OF CONTENTS

PAGE

Association Activities

Association urges 5-year amortization of waste disposal facilities ... 243
N.C.A. requests railroads to provide adequate cars ... 243
Memorandum to N.C.A. research committee cites misleading statements in *Collier's* magazine story ... 243

Congress

Factory inspection bill ... 243
International trade study ... 243
Renegotiation act ... 245
Customs simplification ... 245
Simpson bill recommitted ... 245

Farm Policy

House group tour to gather views on farm program ... 248
President creates new group for agricultural policy advice ... 248
USDA announces proposed olive marketing agreement ... 248

Procurement

Invitations for bids ... 249
QMC purchases of canned foods in 1952 ... 248

Publicity

'Canning Progress' is title of book by N.C.A. member ... 246
Woman's Day magazine ... 246
House Beautiful magazine ... 246

Research

New Owens-Illinois center ... 245

Statistics

Canned fruit and vegetable stocks and shipments ... 244
Summary of canners' stocks on July 1 and season shipments ... 244
Canned baby food stocks ... 245
Peas for processing ... 245